

AIR QUALITY PERMIT

Issued To: Nelcon, Inc.
8900 Cartage Road
Missoula, MT 59808

Permit #3351-01
Administrative Amendment (AA) Application
Received: 3/16/06
Department Decision on AA Issued: 5/1/06
Permit Final: 5/17/06
AFS #777-3351

An air quality permit, with conditions, is hereby granted to Nelcon, Inc. (Nelcon), pursuant to Sections 75-2-204 and 211, Montana Code Annotated (MCA), as amended, and the Administrative Rules of Montana (ARM) 17.8.740, *et seq.*, as amended, for the following:

Section I: Permitted Facilities

A. Plant Location

Nelcon operates a portable crushing/screening facility. Permit #3351-01 applies while operating at any location in Montana, except within those areas having a Department of Environmental Quality (Department) approved permitting program, those areas considered tribal lands, or those areas in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas. *A Missoula County air quality permit will be required for locations within Missoula County, Montana.* Addendum #1 applies to the Nelcon facility while operating at any location in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas during the summer months (April 1 – September 30) and at sites approved by the Department during the winter months (October 1 – March 31), including the initial site location, the Section 36, Township 30 North, Range 21 West, in Flathead County, Montana. A complete list of the permitted equipment is contained in Section I.A of the permit analysis.

B. Current Permit Action

On March 16, 2006, the Department received a request from Nelcon for an administrative amendment to Permit #3351-01 to allow for wintertime operations (October 1-March 31) and summertime operations (April 1 – September 30). The current permit action will include an addendum to allow for both wintertime and summertime operations at certain locations in or within 10 km of the Butte, Columbia Falls, Libby, Kalispell, Thompson Falls, and Whitefish PM₁₀ nonattainment areas.

Section II: Limitations and Conditions

A. Operational Limitations and Conditions

1. Nelcon shall not cause or authorize to be discharged into the atmosphere from any Standards of Performance for New Stationary Sources (NSPS) affected crusher, any visible emissions that exhibit an opacity of 15% or greater averaged over 6 consecutive minutes (ARM 17.8.340, ARM 17.8.752, and 40 CFR Part 60, Subpart OOO).
2. Nelcon shall not cause or authorize to be discharged into the atmosphere from any other NSPS affected equipment, such as screens or conveyor transfers, any visible emissions that exhibit an opacity of 10% or greater averaged over 6

- consecutive minutes (ARM 17.8.340, ARM 17.8.752, and 40 CFR 60, Subpart OOO).
3. Nelcon shall not cause or authorize to be discharged into the atmosphere, from any non-NSPS affected equipment, any visible emissions that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes (ARM 17.8.308 and ARM 17.8.752).
 4. Water and water spray bars shall be available on site at all times and operated, as necessary, to maintain compliance with the opacity limitations in Sections II.A.1., II.A.2, and II.A.3 (ARM 17.8.752).
 5. Nelcon shall not cause or authorize to be discharged into the atmosphere from any street, road, or parking lot any visible fugitive emissions that exhibit an opacity of 20% or greater (ARM 17.8.308 and ARM 17.8.752).
 6. Nelcon shall treat all unpaved portions of the haul roads, access roads, parking lots, or general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the reasonable precautions limitation in Section II.A.5 (ARM 17.8.749).
 7. Crusher production from the facility shall be limited to 2,540,400 tons during any rolling 12-month time period (ARM 17.8.749).
 8. Nelcon shall not operate more than one crusher at any given time and the maximum rated design capacity of the crusher shall not exceed 400 tons per hour (TPH) (ARM 17.8.749).
 9. Screen production from the facility shall be limited to 5,080,800 tons during any rolling 12-month time period (ARM 17.8.749).
 10. Nelcon shall not operate more than two screening units at any given time and the combined maximum rated design capacity of the screens shall not exceed 800 TPH (ARM 17.8.749).
 11. Nelcon shall not operate more than one diesel engine/generator at any given time and the maximum rated design capacity of the generator shall not exceed 650 Kilowatts (kW) (ARM 17.8.749).
 12. Operation of the 650 kW diesel generator shall not exceed 7,200 hours during any rolling 12-month time period (ARM 17.8.1204).
 13. If the permitted equipment is used in conjunction with any other equipment owned or operated by Nelcon, at the same site, production shall be limited to correspond with an emission level that does not exceed 250 tons of emissions during any rolling 12-month time period. Any calculations used to establish production levels shall be approved by the Department (ARM 17.8.749).
 14. Nelcon shall comply with all applicable standards and limitations, and the reporting, recordkeeping, testing, and notification requirements contained in 40 CFR 60, Subpart OOO for the crushing/screening operation and associated equipment (ARM 17.8.340 and 40 CFR 60, Subpart OOO).

B. Testing Requirements

1. Within 60 days after achieving the maximum production rate, but no later than 180 days after initial startup, an Environmental Protection Agency (EPA) Method 9 opacity test and/or other methods and procedures, as specified in 40 CFR Part 60.675, must be performed on any NSPS affected equipment to demonstrate compliance with the emissions limitations contained in Sections II.A.1 and II.A.2 (ARM 17.8.340, 40 CFR Part 60, Subpart A and Subpart OOO).
2. All compliance source tests shall conform to the requirements of the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
3. The Department may require further testing (ARM 17.8.105).

C. Emissions Monitoring

Nelcon shall maintain on-site records of inspections, repairs, and maintenance. All records compiled in accordance with this permit shall be maintained by Nelcon as a permanent business record for at least 5 years following the date of the measurement, shall be submitted to the Department upon request, and shall be available at the plant site for inspection by the Department (ARM 17.8.749).

D. Operational Reporting Requirements

1. If this portable crushing/screening plant is moved to another location, an Intent to Transfer Form must be sent to the Department. In addition, a Public Notice Form for Change of Location must be published in a newspaper of general circulation in the area to which the transfer is to be made, at least 15 days prior to the move. The Intent to Transfer Form and the proof of publication (affidavit) of the Public Notice Form for Change of Location must be submitted to the Department prior to the move. These forms are available from the Department (ARM 17.8.765).
2. Nelcon shall maintain on-site records showing daily hours of operation and daily production rates for the last 12-months. All records compiled in accordance with this permit shall be maintained by Nelcon as a permanent business record for at least 5 years following the date of the measurement, must be submitted to the Department upon request, and must be available at the plant site for inspection by the Department (ARM 17.8.749).
3. Nelcon shall supply the Department with annual production information for all emission points, as required, by the Department in the annual emission inventory request. The request will include, but is not limited to, all sources of emissions identified in the most recent emission inventory report and sources identified in Section I.A of the permit analysis.

Production information shall be gathered on a calendar-year basis and submitted to the Department by the date required in the emission inventory request. Information shall be in units as required by the Department. This information may be used for calculating operating fees, based on actual emissions from the facility, and/or to verify compliance with permit limitations (ARM 17.8.505).

4. Nelcon shall notify the Department of any construction or improvement project conducted, pursuant to ARM 17.8.745, that would include a change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location, or fuel specifications, or would result in an increase in source capacity above its permitted operation or the addition of a new emission unit. The notice must be submitted to the Department, in writing, 10 days prior to start-up or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change, and must include the information requested in ARM 17.8.745(1)(d) (ARM 17.8.745).
5. Nelcon shall document, by month, the crushing production from the facility. By the 25th day of each month, Nelcon shall calculate the crushing production from the facility for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.7. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).
6. Nelcon shall document, by month, the screening production from the facility. By the 25th day of each month, Nelcon shall calculate the screening production from the facility for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.8. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).
7. Nelcon shall document, by month, the hours of operation of the diesel generator. By the 25th day of each month, Nelcon shall calculate the hours of operation for the diesel generator for the previous month. The monthly information will be used to verify compliance with the rolling 12-month limitation in Section II.A.9. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).
8. Nelcon shall annually certify that its emissions are less than those that would require the facility to obtain an air quality operating permit as required by ARM 17.8.1204(3)(b). The annual certification shall comply with the certification requirements of ARM 17.8.1207. The annual certification shall be submitted along with the annual emissions inventory information (ARM 17.8.749 and ARM 17.8.1204).

Section III: General Conditions

- A. Inspection - Nelcon shall allow the Department's representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.
- B. Waiver - The permit and all the terms, conditions, and matters stated herein shall be deemed accepted if Nelcon fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations - Nothing in this permit shall be construed as relieving Nelcon of the responsibility for complying with any applicable federal or

Montana statute, rule or standard, except as specifically provided in ARM 17.8.740, *et seq.* (ARM 17.8.756).

- D. Enforcement - Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties or other enforcement as specified in Section 75-2-401 *et seq.*, MCA.
- E. Appeals - Any person or persons jointly or severally adversely affected by the Department's decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing postpones the effective date of the Department decision until the conclusion of the hearing and issuance of a final decision by the Board. The Department's decision on the application is not final unless 15 days have elapsed and there is no request for a hearing under this section.
- F. Permit Inspection - As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by Department personnel at the location of the permitted source.
- G. Permit Fees - Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by Nelcon may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.
- H. Construction Commencement - Construction must begin within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall be revoked.
- I. The Department may modify the conditions of this permit based on local conditions of any future site. These factors may include, but are not limited to, local terrain, meteorological conditions, proximity to residences, etc.
- J. Nelcon shall comply with the conditions contained in this permit while operating at any location in Montana, except within those areas having a Department approved permitting program.

PERMIT ANALYSIS
Nelcon, Inc.
Permit Number 3351-01

I. Introduction/Process Description

A. Permitted Equipment

Nelcon, Inc. (Nelcon) owns and operates a portable crushing/screening facility consisting of a portable 1985 EL-Jay 45-inch Cone Crusher (up to 400 tons per hour, TPH) with an EL-Jay (5 ft x 14 ft) screen (up to 400 TPH), a 1990 Homemade (6 ft x 20 ft) 3-deck screen (up to 400 TPH), a diesel generator (up to 650-kW), and associated equipment.

B. Process Description

Nelcon proposes to use this crushing/screening plant and associated equipment to crush sand and gravel materials for use in various construction operations. For a typical operational setup, materials are loaded into the crushing/screening plant by a feeder, transferred by conveyor, and passed through the crusher. Materials are crushed by the crusher and sent to the screens. Materials are screened, separated, and sent to stockpile for sale and use in construction operations.

C. Permit History

The Department of Environmental Quality (Department) issued **Permit #3351-00** to Nelcon on October 5, 2004. Permit #3351-00 allowed the operation of a portable crushing and screening facility consisting of a portable 1985 EL-Jay 45-inch Cone Crusher (up to 400 tons per hour, TPH) with an EL-Jay (5 ft x 14 ft) screen (up to 400 TPH), a 1990 Homemade (6 ft x 20 ft) 3-deck screen (up to 400 TPH), a diesel generator (up to 650-kW), and associated equipment.

D. Current Permit Action

On March 16, 2006, the Department received a request from Nelcon for an administrative amendment to Permit #3351-01 to allow for wintertime operations (October 1-March 31) and summertime operations (April 1 – September 30). The current permit action will include an addendum to allow for both wintertime and summertime operations at certain locations in or within 10 km of the Butte, Columbia Falls, Libby, Kalispell, Thompson Falls, and Whitefish PM10 nonattainment areas. **Permit #3351-01** replaces Permit #3351-00.

II. Applicable Rules and Regulations

The following are partial explanations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the Administrative Rules of Montana (ARM) and are available, upon request, from the Department. Upon request, the Department will provide references for locations of complete copies of all applicable rules and regulations or copies where appropriate.

A. ARM 17.8, Subchapter 1 - General Provisions, including, but not limited to:

1. ARM 17.8.101 Definitions. This rule is a list of applicable definitions used in this subchapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment (including instruments and sensing devices) and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department.
3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source testing conducted by the Department, any source, or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq.*, Montana Code Annotated (MCA).

Nelcon shall comply with all requirements contained in the Montana Source Test Protocol and Procedures Manual, including, but not limited to, using the proper test methods and supplying the required reports. A copy of the Montana Source Test Protocol and Procedures Manual is available from the Department upon request.

4. ARM 17.8.110 Malfunctions. (2) The Department must be notified promptly by telephone whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation or to continue for a period greater than 4 hours.
5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means which, without resulting in reduction in the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner that a public nuisance is created.

B. ARM 17.8, Subchapter 2 - Ambient Air Quality, including, but not limited to:

1. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
2. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
3. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
4. ARM 17.8.220 Ambient Air Quality Standard for Settled Particulate Matter
5. ARM 17.8.223 Ambient Air Quality Standard for PM₁₀

Nelcon must comply with the applicable ambient air quality standards.

C. ARM 17.8, Subchapter 3 - Emission Standards, including, but not limited to:

1. ARM 17.8.304 Visible Air Contaminants. This rule requires that no person may cause or authorize emissions to be discharged into the outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.
2. ARM 17.8.308 Particulate Matter, Airborne. (1) This rule requires an opacity limitation of less than 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate matter. (2) Under this rule, Nelcon shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter.
3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires

that no person shall cause or authorize to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this rule.

4. ARM 17.8.310 Particulate Matter, Industrial Processes. This rule requires that no person shall cause or allow to be discharged into the atmosphere particulate matter in excess of the amount set forth in this rule.
5. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. This rule requires that no person shall burn liquid, solid, or gaseous fuel in excess of the amount set forth in this rule.
6. ARM 17.8.324 Hydrocarbon Emissions--Petroleum Products. (3) No person shall load or permit the loading of gasoline into any stationary tank with a capacity of 250 gallons or more from any tank truck or trailer, except through a permanent submerged fill pipe, unless such tank truck or trailer is equipped with a vapor loss control device as described in (1) of this rule.
7. ARM 17.8.340 Standards of Performance for New Stationary Sources. This rule incorporates, by reference, 40 CFR 60, Standards of Performance for New Stationary Sources (NSPS). The owner or operator of any stationary source or modification, as defined and applied in 40 CFR Part 60, NSPS, shall comply with the standards and provisions of 40 CFR Part 60.

In order for a crushing/screening plant to be subject to NSPS requirements, two specific criteria must be met. First, the crushing/screening plant must meet the definition of an affected facility and, second, the equipment in question must have been constructed, reconstructed, or modified after August 31, 1983. Based on the information submitted by Nelcon, the crushing/screening equipment is NSPS affected because of the size and date of manufacture of the equipment (40 CFR Part 60, Subpart A General Provisions, and Subpart OOO, Non-Metallic Mineral Processing Plants).

D. ARM 17.8, Subchapter 5 - Air Quality Permit Application, Operation, and Open Burning Fees, including, but not limited to:

1. ARM 17.8.504 Air Quality Permit Application Fees. This rule requires that Nelcon submit an air quality permit application fee concurrent with the submittal of an air quality permit application. A permit application is incomplete until the proper application fee is paid to the Department. A permit fee is not required for the current permit action because the permit action is considered an administrative permit change.
2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit, excluding an open burning permit, issued by the Department. This operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.

An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation

fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that pro-rate the required fee amount.

- E. ARM 17.8, Subchapter 7 - Permit, Construction and Operation of Air Contaminant Sources, including, but not limited to:
1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
 2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a facility to obtain an air quality permit or permit alteration to construct, alter, or use any asphalt plant, crusher, or screen that has the Potential to Emit (PTE) greater than 15 tons per year of any pollutant. Nelcon has a PTE greater than 15 tons per year of total particulate matter (PM), PM₁₀, and oxides of nitrogen (NO_x); therefore, an air quality permit is required.
 3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the Montana Air Quality Permit Program.
 4. ARM 17.8.745 Montana Air Quality Permits—Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.
 5. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements. (1) This rule requires that a permit application be submitted prior to installation, modification, or use of a source. A permit application was not required for the current permit action because the change is considered an administrative permit change. (7) This rule requires that the applicant notify the public by means of legal publication in a newspaper of general circulation in the area affected by the application for a permit. An affidavit of publication of public notice was not required for the current permit action because the permit change is considered an administrative permit change.
 6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.
 7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that Best Available Control Technology (BACT) shall be utilized. The required BACT analysis is included in Section IV of this permit analysis.
 8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits

shall be made available for inspection by the Department at the location of the source.

9. ARM 17.8.756 Compliance with Other Requirements. This rule states that nothing in the permit shall be construed as relieving Nelcon of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.*
 10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an environmental impact statement.
 11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified, as provided in this subchapter, except that a permit issued prior to construction of a new or altered source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.
 12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of Nelcon, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).
 13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that do not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.
 14. ARM 17.8.765 Transfer of Permit. (1) This rule states that an air quality permit may be transferred from one location to another if the Department receives a complete notice of Intent to Transfer location, the facility will operate in the new location for less than 1 year, the facility will comply with the FCAA and the Clean Air Act of Montana, and the facility complies with other applicable rules. (2) This rule states that an air quality permit may be transferred from one person to another if written notice of Intent to Transfer, including the names of the transferor and the transferee, is sent to the Department.
- F. ARM 17.8, Subchapter 8 - Prevention of Significant Deterioration of Air Quality, including, but not limited to:
1. ARM 17.8.801 Definitions. This rule is a list of applicable definitions used in this subchapter.
 2. ARM 17.8.818 Review of Major Stationary Sources and Major Modifications--Source Applicability and Exemptions. The requirements contained in ARM

17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow.

This facility is not a major stationary source because it is not a listed source and does not have a PTE greater than 250 tons per year (excluding fugitive emissions) of any air pollutant.

G. ARM 17.8, Subchapter 12 - Operating Permit Program Applicability, including, but not limited to:

1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any stationary source having:

- a. PTE > 100 tons/year of any pollutant.
- b. PTE > 10 tons/year of any one Hazardous Air Pollutant (HAP), PTE > 25 tons/year of a combination of all HAPs, or lesser quantity as the Department may establish by rule.
- c. PTE > 70 tons/year of PM₁₀ in a serious PM₁₀ nonattainment area.

2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. (1) Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204 (1), obtain a Title V Operating Permit. In reviewing and issuing Air Quality Permit #3351-01 for the Nelcon facility, the following conclusions were made:

- a. The facility's PTE is less than 100 tons/year for any pollutant.
- b. The facility's PTE is less than 10 tons/year for any one HAP and less than 25 tons/year of all HAPs.
- c. This source is not located in a serious PM₁₀ nonattainment area.
- d. This facility is not subject to any current NESHAP standards.
- e. The facility is currently subject to NSPS standards (40 CFR 60, Subpart A, General Provisions, and Subpart OOO, Non-Metallic Mineral Processing Plants).
- f. This source is not a Title IV affected source nor a solid waste combustion unit.
- g. This source is not an EPA designated Title V source.

Nelcon's crushing/screening facility is not subject to Title V Operating Permit requirements because federally enforceable limitations have been established that limit the source's PTE below the major source threshold. Based on these facts, the Department determined that this facility would be a minor source of emissions, as defined under the Title V Operating Permit Program. However, if minor sources subject to NSPS are required to obtain a Title V Operating Permit, Nelcon may be required to obtain an operating permit.

- h. ARM 17.8.1204(3). The Department may exempt a source from the requirement to obtain an air quality operating permit by establishing federally enforceable limitations that limit that source's potential to emit.

- i. In applying for an exemption under this rule, the owner or operator of the source shall certify to the Department that the source's potential to emit does not require the source to obtain an air quality operating permit.
- ii. Any source that obtains a federally enforceable limit on potential to emit shall annually certify that its actual emissions are less than those that would require the source to obtain an air quality operating permit.

The Department determined that the annual reporting requirements contained in the permit are sufficient to satisfy this requirement.

3. ARM 17.8.1207 Certification of Truth, Accuracy, and Completeness. The compliance certification submittal required by ARM 17.8.1204(3) shall contain a certification of truth, accuracy, and completeness by a responsible official. This certification and information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

III. Emission Inventory

Source	Tons/Year					
	PM	PM ₁₀	NO _x	VOC	CO	SO _x
1985 EL-Jay 45-inch cone crusher (up to 400 TPH)	3.18	1.52				
EL-Jay (5 ft x 14 ft) screen (up to 400 TPH)	20.01	9.53				
1990 Homemade (6 ft x 20 ft) 3-deck screen (up to 400 TPH)	20.01	9.53				
Material Transfer	9.21	4.45				
Pile Forming	26.67	12.70				
Bulk Loading	5.33	2.54				
Engine/Generator (up to 650-kW)	6.91	6.91	97.31	7.75	20.97	6.43
Haul Roads	2.74	1.23				
Total	94.05	48.41	97.31	7.75	20.97	6.43

- A complete emission inventory for Permit #3351-01 is on file with the Department. Production limitations were placed upon the crusher and each screen to keep emissions below the thresholds established in the Department's Modeling guidance of 50 TPH of PM₁₀ emissions.

IV. BACT Analysis

A BACT determination is required for any new or altered source. Nelcon shall install on the new or altered source the maximum air pollution control capability that is technologically practicable and economically feasible, except that BACT shall be used. A BACT determination was not required for the current permit action because the permit change is considered an administrative permit change.

V. Existing Air Quality

Permit #3351-01 is issued for the operation of a portable crushing/screening facility to operate at

various locations throughout Montana. This facility would be allowed to operate at this proposed site and any other areas designated as attainment or unclassified for all National Ambient Air Quality Standards (NAAQS); excluding those counties that have a Department approved permitting program, those areas considered Tribal Lands, or those areas in or within 10 km of certain PM₁₀ nonattainment areas. *A Missoula County air quality permit would be required for locations within Missoula County, Montana.* Addendum #1 applies to the Nelcon facility while operating at any location in or within 10 kilometers (km) of certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas during the summer months (April 1 – September 30) and at sites approved by the Department during the winter months (October 1 – March 31), including the initial site location, the Section 36, Township 30 North, Range 21 West, in Flathead County, Montana.

VI. Air Quality Impacts

This permit is for a portable crushing/screening plant to be located at various locations around Montana. This permit contains operational conditions and limitations that would protect air quality for this site and the surrounding area. Also, this facility is a portable source that would operate on an intermittent and temporary basis, so any effects to air quality will be minor and short-lived. Further, the amount of controlled particulate emissions generated by this project should not cause concentrations of PM₁₀ in the ambient air that exceed the set standard. In addition, this source is portable and any air quality impacts will be minimal.

VII. Taking or Damaging Implication Analysis

As required by 2-10-101 through 105, MCA, the Department conducted a private property taking and damaging assessment and determined there are no taking or damaging implications.

VIII. Environmental Assessment

This permitting action will not result in an increase of emissions from the facility and is considered an administrative action; therefore, an environmental assessment is not required.

Prepared by: Trista Glazier

Date: 4/19/06

Addendum #1
Nelcon, Inc.
Permit #3351-01

An addendum to air quality Permit #3351-01 is issued to Nelcon, Inc. (Nelcon), pursuant to Sections 75-2-204 and 75-2-211 of the Montana Code Annotated (MCA), as amended, and the Administrative Rules of Montana (ARM) 17.8.765, as amended, for the following:

I. Permitted Equipment

Nelcon owns and operates a portable crushing/screening facility consisting a portable 1985 EL-Jay 45-inch Cone Crusher (up to 400 tons per hour, TPH) with an EL-Jay (5 ft x 14 ft) screen (up to 400 TPH), a 1990 Homemade (6 ft x 20 ft) 3-deck screen (up to 400 TPH), a diesel generator (up to 650-kW), and associated equipment. Nelcon operates at various locations throughout Montana, including in or within 10 kilometers (km) of the following certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas: Butte, Columbia Falls, Kalispell, Libby, Thompson Falls, and Whitefish.

II. Seasonal and Site Restrictions

Addendum #1 applies to the Nelcon facility while operating at any location in or within 10 km of certain PM₁₀ nonattainment areas. Additionally, seasonal and site restrictions apply to the facility as follows:

- A. During the winter season (October 1-March 31) – the only location(s) in or within 10 km of certain PM₁₀ nonattainment areas where Nelcon may operate is:
 - Section 36, Township 30 North, Range 21 West (Jellison Road); and
 - Any other site that may be approved, in writing, by the Department of Environmental Quality (Department).
- B. During the summer season (April 1-September 30) – Nelcon may operate at any location in or within 10 km of the Butte, Columbia Falls, Libby, Kalispell, Thompson Falls, and Whitefish PM₁₀ nonattainment areas.
- C. Nelcon shall comply with the limitations and conditions contained in Addendum #1 to Permit #3351-01. Addendum #1 shall be valid until revoked or modified. The Department reserves the authority to modify Addendum #1 at any time based on local conditions of any future site. These conditions may include, but are not limited to, local terrain, meteorological conditions, proximity to residences or other businesses, etc.

III. Limitations and Conditions

- A. Operational Limitations and Conditions – **Winter Season (October 1 – March 31)**
 - 1. Water spray bars must be operated when necessary on the crushers, screens, and all transfer points whenever the crushing/screening plant is operating (ARM 17.8.749).
 - 2. All visible emissions from the crushing/screening plant may not exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).

3. Nelcon shall not cause or authorize to be discharged into the atmosphere from any other equipment, such as transfer points, any visible emissions that exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).
4. Nelcon shall not cause or authorize to be discharged into the atmosphere from haul roads, access roads, parking lots, or the general plant property any visible fugitive emissions that exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).
5. Nelcon shall treat all unpaved portions of the haul roads, access roads, parking lots, and general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the 10% opacity limitation (ARM 17.8.749).
6. Total combined crushing production from the two crushers shall not exceed 2,120 tons during any rolling 24-hour time period (ARM 17.8.749).
7. Total combined screening production from the two screens shall be limited to 4,240 tons during any rolling 24-hour time period (ARM 17.8.749).
8. Nelcon shall not operate more than one diesel generators at any given time and the maximum rated design capacity shall not exceed 650 kilowatts (kW) and shall not exceed 4.8 hours of operation during any rolling 24-hour time period (ARM 17.8.749).

B. Operational Limitations and Conditions – Summer Season (April 1 – September 30)

1. Water spray bars must be operated when necessary on the crushers, screens, and all transfer points whenever the crushing/screening plant is operating (ARM 17.8.749).
2. All visible emissions from the crushing/screening plant may not exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).
3. Nelcon shall not cause or authorize to be discharged into the atmosphere from any other equipment, such as transfer points, any visible emissions that exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).
4. Nelcon shall not cause or authorize to be discharged into the atmosphere from haul roads, access roads, parking lots, or the general plant property any visible fugitive emissions that exhibit an opacity of 10% or greater averaged over six consecutive minutes (ARM 17.8.749).
5. Nelcon shall treat all unpaved portions of the haul roads, access roads, parking lots, and general plant area with water and/or chemical dust suppressant as necessary to maintain compliance with the 10% opacity limitation (ARM 17.8.749).
6. Total crushing production from the crusher shall not exceed 9,600 tons during

any rolling 24-hour time period (ARM 17.8.749).

7. Total combined screening production from the two screens shall be limited to 19,200 tons during any rolling 24-hour time period (ARM 17.8.749).
8. Nelcon shall not operate more than one diesel generator at any given time and the maximum rated design capacity shall not exceed 650 kilowatts (kW) (ARM 17.8.749).

C. Operational Reporting Requirements

1. Nelcon shall provide the Department with written notification of job completion within 10 working days of job completion (ARM 17.8.749).
2. Nelcon shall provide the Department with written notice of relocation of the permitted equipment within 15 working days before the physical transfer of the equipment (ARM 17.8.765).
3. Production information for the sites covered by this addendum must be submitted to the Department with the annual emission inventory request or within 30 days of completion of the project. The information must include (ARM 17.8.749):
 - a. Tons of material crushed at each site;
 - b. Tons of material screened by each screen at each site;
 - c. Tons of bulk material loaded at each site;
 - d. Daily hours of operation at each site;
 - e. Gallons of diesel fuel used for the generators/engines at each site;
 - f. Fugitive dust information consisting of a listing of all plant vehicles including the following for each vehicle type:
 - i. Number of vehicles;
 - ii. Vehicle type;
 - iii. Vehicle weight, loaded;
 - iv. Vehicle weight, unloaded;
 - v. Number of tires on vehicle;
 - vi. Average trip length;
 - vii. Number of trips per day per vehicle;
 - viii. Average vehicle speed;
 - ix. Area of activity; and
 - x. Vehicle fuel usage (gasoline or diesel) annual total.
 - g. Fugitive dust control for haul roads and general plant area:
 - i. Hours of operation of water trucks; and
 - ii. Application schedule for chemical dust suppressant, if applicable.
4. Nelcon shall document, by day, the total crushing production during the winter season. Nelcon shall sum the total crushing production during the previous 24 hours to verify compliance with the limitations in Section III.A.6. A written report of compliance verification and the emissions inventory shall be submitted

- to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).
5. Nelcon shall document, by day, the total crushing production during the summer season. Nelcon shall sum the total crushing production during the previous 24 hours to verify compliance with the limitations in Section III.B.6. A written report of compliance verification and the emissions inventory shall be submitted to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).
 6. Nelcon shall document, by day, the combined total screening production during the winter season. Nelcon shall sum the combined total screening production during the previous 24 hours to verify compliance with the limitations in Section III.A.7. A written report of compliance verification and the emissions inventory shall be submitted to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).
 7. Nelcon shall document, by day, the combined total screening production during the summer season. Nelcon shall sum the combined total screening production during the previous 24 hours to verify compliance with the limitations in Section III.B.7. A written report of compliance verification and the emissions inventory shall be submitted to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).
 8. Nelcon shall document, by day, the hours of operation of the diesel generator(s) during the winter season. Nelcon shall total the hours of operation of the diesel generator(s) during the previous 24 hours to verify compliance with the limitations in Section III.A.8. A written report of compliance verification and the emissions inventory shall be submitted to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).
 9. Nelcon shall document, by day, the hours of operation of the diesel generator(s) during the summer season. Nelcon shall total the hours of operation of the diesel generator(s) during the previous 24 hours to verify compliance with the limitations in Section III.B.8. A written report of compliance verification and the emissions inventory shall be submitted to the Department annually. The report for the previous calendar year shall be submitted along with the annual emission inventory (ARM 17.8.749).

Addendum #1 Analysis
Nelcon Group, Inc.
Permit #3351-01

I. Permitted Equipment

Nelcon owns and operates a portable crushing/screening facility consisting of a portable 1985 EL-Jay 45-inch Cone Crusher (up to 400 tons per hour, TPH) with an EL-Jay (5 ft x 14 ft) screen (up to 400 TPH), a 1990 Homemade (6 ft x 20 ft) 3-deck screen (up to 400 TPH), a diesel generator (up to 650-kW), and associated equipment. Nelcon operates at various locations throughout Montana, including in or within 10 kilometers (km) of the following certain particulate matter with an aerodynamic diameter of 10 microns or less (PM₁₀) nonattainment areas: Butte, Columbia Falls, Kalispell, Libby, Thompson Falls, and Whitefish.

II. Source Description

Nelcon proposes to use this crushing/screening plant and associated equipment to crush sand and gravel materials for use in various construction operations. For a typical operational setup, materials are loaded into the crushing/screening plant by a hopper and transferred by conveyor and passed through the crusher. Materials are crushed, by the crusher and sent to the two screens. Materials are screened, separated, and sent to stockpile for sale and use in construction operations.

III. Applicable Rules and Regulations

The following are partial quotations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the Administrative Rules of Montana (ARM) and are available, upon request, from the Department of Environmental Quality (Department). Upon request, the Department will provide references for locations of complete copies of all applicable rules and regulations or copies where appropriate.

ARM 17.8, Subchapter 7 - Permit, Construction and Operation of Air Contaminant Sources, including, but not limited to:

- A. ARM 17.8.749 Conditions for Issuance of Permit. This rule requires that the source demonstrate compliance with applicable rules and standards before a permit can be issued. Also, a permit may be issued with such conditions as are necessary to assure compliance with all applicable rules and standards. Nelcon demonstrated compliance with all applicable rules and standards as required for permit issuance.
- B. ARM 17.8.764 Modification of Permit. An air quality permit may be modified for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack which do not result in an increase in emissions because of the changed conditions. A source may not increase its emissions beyond those found in its permit unless the source applies for and receives another permit.
- C. ARM 17.8.765 Transfer of Permit. An air quality permit may be transferred from one location to another if:
 - 1. Written notice of Intent to Transfer location and proof of public notice are sent to the Department;
 - 2. The source will operate in the new location for a period of less than 1 year; and

3. The source will not have any significant impact on any nonattainment area or any Class I area.

Nelcon must submit proof of compliance with the transfer and public notice requirements when Nelcon transfers to any of the locations covered by this addendum and will only be allowed to stay in the new location for a period of less than 1 year. Also, the conditions and limitations in Addendum #1 to Permit #3351-01 will prevent Nelcon from having a significant impact on PM₁₀ nonattainment areas.

IV. Emission Inventory

Source	Lb/Day					
	PM	PM ₁₀	NO _x	VOC	CO	SO _x
Crushers (up to 400 TPH)	5.3	2.54				
EL-Jay (5 ft x 14 ft) Screen (up to 400 TPH)	33.39	15.90				
1990 Homemade (6 ft x 20 ft) 3-deck Screen (400 TPH)	33.39	15.90				
Material Transfer	24.59	11.87				
Pile Forming	44.52	21.20				
Bulk Loading	8.9	4.24				
Diesel Generators (up to 650 kW)	3.23	3.23	110.87	3.23	25.41	9.34
Haul Roads	15.00	6.75				
Total	168.33	81.64	110.87	3.26	25.41	9.34

Note: Emission inventory for winter season.

Source	Lb/Day					
	PM	PM ₁₀	NO _x	VOC	CO	SO _x
Crushers (up to 400 TPH)	24.00	11.52				
EL-Jay (5 ft x 14 ft) Screen (up to 400 TPH)	151.20	72.00				
1990 Homemade (6 ft x 20 ft) 3-deck Screen (400 TPH)	151.20	72.00				
Material Transfer	111.36	53.76				
Pile Forming	201.60	96.00				
Bulk Loading	40.32	19.20				
Diesel Generators (up to 650 kW)	14.64	14.64	502.07	14.75	115.06	42.31
Haul Roads	15.00	6.75				
Total	709.32	345.87	502.07	14.75	115.06	42.31

Note: Emission inventory for summer season.

V. Existing Air Quality

On July 1, 1987, the Environmental Protection Agency (EPA) promulgated new National Ambient Air Quality Standards (NAAQS) for PM₁₀. Due to exceedances of the national standards for PM₁₀, the cities of Kalispell (and the nearby Evergreen area), Columbia Falls, Butte, Whitefish, Libby, Missoula, and Thompson Falls were designated by EPA as nonattainment for PM₁₀. As a result of this designation, EPA required the Department and the City-County Health Departments submit PM₁₀ State Implementation Plans (SIP). The SIPs consisted of emission control plans that controlled fugitive dust emissions from roads, parking lots, construction, and demolition, since technical studies determined these sources to be the major contributors to PM₁₀ emissions.

Addendum #1 to Permit #3351-01 is for a portable crushing/screening plant to locate at sites in or within 10 km of certain PM₁₀ nonattainment areas during the winter season (October 1 through March 31). Winter season (October 1 through March 31) operations many include only the locations listed in Section II.A of Addendum #1. Addendum #1 of Permit #3351-01 would also

allow for summertime operations (April 1 – September 30) at any location in or within 10 km of the Butte, Columbia Falls, Libby, Kalispell, Thompson Falls, and Whitefish PM₁₀ nonattainment areas.

VI. Air Quality Impacts

Nelcon applied for an air quality permit to operate a portable crushing/screening plant to be located at various locations throughout Montana. Permit #3351-01 and Addendum #1 will cover the Nelcon crushing/screening plant while operating at any location within Montana, excluding those counties that have a Department-approved permitting program and those areas considered tribal lands. Based on the information provided, the amount of controlled emissions generated by this facility will not exceed any ambient air quality standard. In addition, this source is portable and any air quality impacts will be minimal.

VII. Taking or Damaging Implication Analysis

As required by 2-10-101 through 105, Montana Code Annotated (MCA), the Department conducted a private property taking and damaging assessment and determined there are no taking or damaging implications.

VIII. Environmental Assessment

This permitting action will not result in an increase of emissions from the facility and is considered an administrative action; therefore, an environmental assessment is not required.

Analysis Prepared By: Trista Glazier

Date: 4/19/06